

Old Age, Disability, Death

First and current law: 1976 with later amendments.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 0.38 dinars.

Coverage

Employed persons in establishments of 10 or more workers; workers in establishments of less than 10, may contribute voluntarily.

Exclusions: Domestic servants, certain workers employed in agriculture, casual workers, self-employed, and temporary noncitizen workers. Special system for public employees.

Note: Voluntary insurance is available for persons with 5 or more years of previous compulsory social security coverage, who no longer are covered on a compulsory basis. Voluntary coverage for employers, self-employed and liberal professions.

Source of Funds

Insured person: 5% of earnings; voluntarily insured, 12% of income based on *hypothetical* monthly income. (Hypothetical income is based on 25 categories.)

Employer: 7% of payroll.

Government: None.

Qualifying Conditions

Old-age pension: Age 60 (men) and age 55 (women) with 180 months of contribution; before age 60 with 240 months of contribution. Over age 60, 120 months of contribution with at least 36 consecutive months during the last 5 years before retirement. Reduced pension at lower age with 240 months of contribution for men and 180 months for women. Retirement from employment not necessary.

Disability pension: 6 months continuous contribution before disability (3 months continuous if 12 months total contribution), for men before age 60 and women before age 55.

Survivor pension: Deceased met qualifying conditions for pension or was pensioner at death, contributed for 6 consecutive months before death (3 months if 12 months total contribution). Also, if disability or death occurs within year following termination of employment.

Old-Age Benefits

Old-age pension: 2% of average earnings in last 2 years times number of years of contribution (with an additional 5 years credited for those retiring at age 60 or over prior to November 30, 1997). Minimum pension: Average of contributory wage during last 2 years, or 115 dinars, whichever is less.

Reduced pension: 20% reduction if retiring before age 45, 15% if age 45 and less than 50, and 10% if age 50 and less than 55.

Supplement for pensioner and dependents: Amount raising pension benefit to 20 dinars for each family member, including pensioner, provided total does not exceed average contributory wage during last two years.

Old-age settlement: Lump sum equal to 15% of average earnings in last 2 years, multiplied by 12 times number of years of contribution,

if ineligible for pension, plus 5% interest from date coverage stops until payment of settlement.

Permanent Disability Benefits

Disability pension: 2% of average earnings in last year times number of years of contribution. Minimum pension: 44% or 46% of average earnings in last year of contribution or 115 dinars, whichever is higher; or the contributory wage, if less.

Supplement for pensioner and dependents: Amount raising pension benefit to 20 dinars for each family member, including pensioner, provided total does not exceed average contributory wage during last year, is considered family allowance.

Disability settlement: Same as old-age pension.

Survivor Benefits

Survivor pension: Widows, 37.5% of pension of insured.

Orphans: 50% of pension divided equally between each child under age 22 (26 if student in higher education). Full orphans divide 100% of pension. Dependent parents, brothers, and sisters: 12.5% of pension divided equally.

Minimum benefit: 20 dinars a month. Maximum, 100% of insured's average earnings. Years of contributions in excess of number of years needed to obtain maximum benefit yield a lump-sum payment equal to 11% of annual earnings of each excess year.

Supplement for pensioner and dependents: Amount raising pension benefit to 20 dinars for each family member, including pensioner.

Survivor settlement: Same as settlement under old-age pension.

Death grant: 6 months' earnings or pension, plus 300 dinars for funeral expenses (400 dinars if insured died abroad and buried in Bahrain).

Administrative Organization

Minister of Labor and Social Affairs, general supervision.

Administered by the General Organization for Social Insurance, managed by Board of Management.

Work Injury

First and current law: 1976.

Type of program: Social insurance system.

Coverage

Employed persons in establishments of 10 or more workers.

Exclusions: Domestic servants, casual employees, family labor, self-employed, and agricultural workers.

Special system for public employees.

Source of Funds

Insured person: None.

Employer: 3% of payroll (1% if employer pays cash benefit and transportation expenses, and provides medical care from employer-owned hospital facilities).

Government: None.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 100% of average daily earnings. First day of incapacity payable by employer, thereafter payable by General Organization for Social Insurance, until recovery or certification of permanent disability.

Permanent Disability Benefits

Permanent disability pension: 88% and 92% of average daily earnings if totally disabled. Minimum, 115 dinars a month. Partial disability: Percent of full pension proportionate to degree of disability. If less than 30% loss of capacity, lump sum equal to 36 times monthly benefit for permanent disability, multiplied by actual percentage of disability. Supplement for pensioner and dependents: Amount raising pension benefit to 20 dinars for each family member, including pensioner. **Medical benefits:** Medical and surgical care, hospitalization, drugs, appliances, rehabilitation, transportation, diagnostic examinations, and dental care inside or outside Bahrain.

Survivor Benefits

Survivor pension: 88% and 92% of average daily earnings of insured. Widow, 37.5% of pension. Orphans: 50% of pension divided equally between each child under age 22 (26 if student in higher education). Full orphans divide 87.5% of pension. Dependent parents, brothers, and sisters: 12.5% of pension divided equally. Supplement for pensioner and dependents: Amount raising pension benefit to 20 dinars for each family member, including pensioner is provided as family allowance. Minimum benefit: 115 dinars a month. Maximum, 100% of pension. Death grant: 6 months' earnings or pension, plus 300 dinars for funeral expenses (400 dinars if insured died abroad or buried abroad).

Administrative Organization

Minister of Labor and Social Affairs, general supervision. Administered by the General Organization for Social Insurance, managed by Board of Management.

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